

1 David S. Kupetz (CA Bar No. 125062)
dkupetz@sulmeyerlaw.com
2 Asa S. Hami (CA Bar No. 210728)
ahami@sulmeyerlaw.com
3 Claire K. Wu (CA Bar No. 295966)
ckwu@sulmeyerlaw.com
4 **SulmeyerKupetz**
A Professional Corporation
5 333 South Grand Ave., Suite 3400
Los Angeles, California 90071-1406
6 Telephone: 213.626.2311
Facsimile: 213.629.4520
7
8 Attorneys for Post-Confirmation Debtor
One Way Loans, LLC, d/b/a PowerLend
9

10 **UNITED STATES BANKRUPTCY COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION**

12 In re
13 ONE WAY LOANS, LLC, a California limited
liability company, d/b/a POWERLEND,
14
15 Debtor.

Case No. 2:18-bk-24572-SK

Chapter 11

POST-CONFIRMATION STATUS REPORT

Status Conference

Date: June 17 2020

Time: 9:00 a.m.

Place: Courtroom 1575
255 E. Temple St.
Los Angeles, CA 90012

SulmeyerKupetz, A Professional Corporation
333 SOUTH GRAND AVENUE, SUITE 3400
LOS ANGELES, CALIFORNIA 90071-1406
TEL. 213.626.2311 • FAX 213.629.4520

1 **TO THE HONORABLE SANDRA R. KLEIN, UNITED STATES BANKRUPTCY**
2 **JUDGE, THE OFFICE OF THE UNITED STATES TRUSTEE, AND PARTIES IN**
3 **INTEREST:**

4 One Way Loans, LLC, a California limited liability company, d/b/a PowerLend (the
5 "Debtor"), hereby submits its first post-confirmation status report (the "Status Report"), as follows:¹

6 **I.**

7 **BRIEF BACKGROUND**

8 On December 13, 2019, the Court entered its "Order Confirming First Amended Chapter 11
9 Plan of Liquidation for One Way Loans, LLC" [Dkt. No. 205], pursuant to which the Court
10 confirmed the "First Amended Disclosure Statement and Chapter 11 Plan of Liquidation for One
11 Way Loans, LLC" [Dkt. No. 186] (the "Plan"). The Plan became effective as of January 1, 2020
12 (the "Effective Date"), notice of which was served on January 6, 2020 [Dkt. No. 208].

13 The Plan was a liquidating plan. The sources of money earmarked to pay creditors and
14 interest-holders included: (1) collections on the Debtor's performing and non-performing loan
15 portfolios; and (2) recovery from litigation to be commenced against First Associates Loan
16 Servicing, LLC. The net proceeds of the Debtor's collections were to be held in escrow and not
17 disbursed pending the sale of the Watermark Property and until such time as the DIP Facility was
18 satisfied.

19 **II.**

20 **PROGRESS TOWARDS COMPLETION OF CONFIRMED PLAN**

21 As of the filing of this Status Report, the Watermark Property has not been sold and, as a
22 result, disbursements under the Plan have not commenced. While the Watermark Property was
23 being marketed as contemplated under the Plan, no acceptable offers were received, and the listing
24 agreement has expired. Since that time, the Debtor is informed that P&G Holdings, LLC ("P&G")
25 (the owner of the Watermark Property and co-borrower under the DIP loan) has retained ASI

26 _____
27 ¹ Capitalized terms not otherwise defined shall have the meanings ascribed to them in the Plan.
28

1 Advisors, LLC to assist potentially restructuring its senior debt with IGCFCO III, LLC (the "DIP
2 Lender") in order to satisfy the DIP Facility. The Debtor is further informed that P&G is
3 concurrently working on possible prospects to sell the Watermark Property (not using a broker), and
4 also working to secure additional equity to further build-out the property. Meanwhile, the Debtor
5 understands that the DIP Lender is working to secure a national broker on its end.

6 Based on the current status of efforts to repay the DIP Lender, the Debtor respectfully
7 requests a continuance of this post-confirmation status conference for another approximately 6
8 months.

9 **III.**

10 **STATUS OF DISBURSEMENTS TO CREDITORS**

11 As set forth above, no disbursements under the Plan may be made pending sale of the
12 Watermark Property and until such time as the DIP Facility is satisfied in full. As such, no
13 disbursements have been made as of the filing of this Status Report, and the claims set forth on the
14 schedule of plan payments in Section IX of the Plan are the claims that will (and remain to be)
15 paid upon satisfaction of the DIP Facility. *See* Plan, Section IX.

16 **IV.**

17 **POST-CONFIRMATION TAX LIABILITIES**

18 The Debtor is current on all post-confirmation tax liabilities that have come due since
19 confirmation of the Plan. The Debtor has paid or will pay the following tax obligations that have
20 come due: \$800 for California state franchise fee ("LLC Tax"); and \$2,500 for tax on income ("LLC
21 Fee") for 2019. The Debtor is set to pay both obligations prior to their July 15, 2020 payment
22 deadline.

23 **V.**

24 **CONTINUING ABILITY TO COMPLY WITH PLAN TERMS AND ESTIMATE FOR**
25 **PLAN CONSUMMATION AND APPLICATION FOR FINAL DECREE**

26 One important note is the impact that the Coronavirus (Covid-19) pandemic is having on the
27 Debtor's cash collections. Cash collections have slowed due to the Covid-19 shut-down. More
28 specifically, due to the Covid-19 pandemic, courts have been closed throughout the State. As a

1 result, the Debtor's recovery process with defaulted accounts has been pushed back approximately 6
2 to 9 months. That being said, the Debtor continues to collect on the active performing portfolio, as
3 well as those loans on account of which the Debtor previously obtained judgments. The Debtor
4 believes collections will return to normal levels once the economy re-opens. As a result, upon sale
5 of the Watermark Property, the Debtor believes it will have the continuing ability to comply with the
6 terms of the Plan.

7 The Debtor anticipates being able to consummate the terms of the Plan and seek a final
8 decree by December 31, 2020, pending progress with the efforts set forth above regarding the
9 Watermark Property.

10 **VI.**

11 **OTHER PERTINENT INFORMATION**

12 The Debtor received a referral for proposed counsel to pursue collection against First
13 Associates on a contingency basis, which counsel the Debtor contacted. Such counsel, however,
14 determined not to accept the engagement on a contingency basis. The Debtor will continue to
15 search for contingency counsel to pursue First Associates.

16 Dated: June 3, 2020

SulmeyerKupetz
A Professional Corporation

17
18 By: /s/ Claire K. Wu
19 David S. Kupetz
20 Asa S. Hami
21 Claire K. Wu
22 Attorneys for Debtor One Way Loans, LLC, d/b/a
23 PowerLend
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25
26
27
28

SulmeyerKupetz, A Professional Corporation
333 SOUTH GRAND AVENUE, SUITE 3400
LOS ANGELES, CALIFORNIA 90071-1406
TEL. 213.626.2311 • FAX 213.629.4520

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 333 South Grand Avenue, Suite 3400, Los Angeles, CA 90071.

A true and correct copy of the foregoing document entitled (*specify*): POST-CONFIRMATION STATUS REPORT will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) June 3, 2020 I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Dawn M Coulson on behalf of Interested Party Courtesy NEF
dcoulson@eppscoulson.com, cmadero@eppscoulson.com

Carl Grumer on behalf of Interested Party JGB (Cayman) Glenmachrie Ltd.
cgrumer@manatt.com, mchung@manatt.com;fstephenson@manatt.com

Carl Grumer on behalf of Interested Party JGB Collateral, LLC
cgrumer@manatt.com, mchung@manatt.com;fstephenson@manatt.com

Andrew Haley on behalf of Interested Party CF Culver City Office, L.P.
ahaley@shoreline-law.com, kbarone@shoreline-law.com

Asa S Hami on behalf of Debtor One Way Loans, LLC, d/b/a PowerLend
ahami@sulmeyerlaw.com,
pdillamar@sulmeyerlaw.com;pdillamar@ecf.inforuptcy.com;cblair@sulmeyerlaw.com;ahami@ecf.inforuptcy.com

Asa S Hami on behalf of Interested Party Courtesy NEF
ahami@sulmeyerlaw.com,
pdillamar@sulmeyerlaw.com;pdillamar@ecf.inforuptcy.com;cblair@sulmeyerlaw.com;ahami@ecf.inforuptcy.com

David S Kupetz on behalf of Debtor One Way Loans, LLC, d/b/a PowerLend
dkupetz@sulmeyerlaw.com, dperez@sulmeyerlaw.com;dperez@ecf.courtdrive.com;dkupetz@ecf.courtdrive.com

Ron Maroko on behalf of U.S. Trustee United States Trustee (LA)
ron.maroko@usdoj.gov

Sabrina L Streusand on behalf of Creditor Actum Processing
Streusand@slolp.com

United States Trustee (LA)
ustpreion16.la.ecf@usdoj.gov

Gerrick Warrington on behalf of Creditor Preferred Bank
gwarrington@frandzel.com, dmoore@frandzel.com

Claire K Wu on behalf of Debtor One Way Loans, LLC, d/b/a PowerLend
ckwu@sulmeyerlaw.com, mviramontes@sulmeyerlaw.com;ckwu@ecf.courtdrive.com;ckwu@ecf.inforuptcy.com

Claire K Wu on behalf of Financial Advisor ASI Advisors, LLC
ckwu@sulmeyerlaw.com, mviramontes@sulmeyerlaw.com;ckwu@ecf.courtdrive.com;ckwu@ecf.inforuptcy.com

Claire K Wu on behalf of Interested Party Courtesy NEF
ckwu@sulmeyerlaw.com, mviramontes@sulmeyerlaw.com;ckwu@ecf.courtdrive.com;ckwu@ecf.inforuptcy.com

☐ Service information continued on attached page.

2. SERVED BY UNITED STATES MAIL:

On (date) June 3, 2020, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page.

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (date) June 3, 2020, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

June 3, 2020

Date

Maria R. Viramontes

Printed Name

/s/Maria R. Viramontes

Signature

ADDITIONAL SERVICE INFORMATION (if needed):

2. SERVED BY U.S. MAIL

OFFICE OF THE UNITED STATES TRUSTEE

Ron Maroko, Esq.
915 Wilshire Blvd., Suite 1850
Los Angeles, California 90017

20 LARGEST UNSECURED CREDITORS:

Jorge Aroche
930 Kings Parkway
Baldwin, NY 11510-2105

Lead Economy LLC
Attn: Lana
8 The Green, Suite 8162
Dover, DE 19901

Zero Parallel LLC
Attn: Michael Cordova and Melanie Babayan
505 North Brand Blvd., 16th Fl.
Glendale, CA 91203

VISA
Cardmember Service
Post Office Box 790408
Saint Louis, MO 63179-0408

Sebastian LLC
Attn: Emily Acevedo
33 Sade Street
Clifton, NJ 07013

defi Solutions
Attn: Stephanie Alsbrooks
1500 Solana Blvd., Bldg. 6
Fourth Fl.
Westlake, TX 76262

defi Solutions
Attn: Stephanie Alsbrooks
1026 Texas Trail
Suite 150
Grapevine, TX 76051

Effortless Office
4484 South Pecos Road
Las Vegas, NV 89121

Effortless Office
5655 Badura Avenue. Ste. 180
Las Vegas, NV 89118

Branch Management Group
Prime/Baytech
Attn: Jeff Skvorc
1835 Newport Blvd., Suite A109-313
Costa Mesa, CA 92627

Hartford Insurance
Attn: Tom Costello
8711 University East Drive
Charlotte, NC 28213

Hartford Fire Insurance Company
Bankruptcy Unit, HO2-R, Home Office
(One Hartford Plaza)
Hartford, CT 06155

American Express
Post Office Box 0001
Los Angeles, CA 90096-0001

American Express
Attn: Express Mail Remittance Processing
20500 Belshaw Ave.
Carson, CA 90746

American Express
c/o Becket and Lee LLP
PO Box 3001
Malvern, PA 19355-0701

American Express
c/o Becket and Lee LLP
16 General Warren Blvd.
Malvern, PA 19355

ACC Business/AT&T
Post Office Box 105306
Atlanta, GA 30348-5306

ACC Business/AT&T
Attn: Cori Storm
Finance, Credit & Collections
400 West Avenue
Rochester, NY 14611

Keesal Young Logan
Attn: Sandor Mayuga
400 Oceangate, Suite 1400
Long Beach, CA 90802

Adv. Direct IT Media
Attn: Harvey Sherifield/Michael Hendifar
72 North 300 East, Suite A
Sapulpa, OK 74066

Adv. Direct IT Media
Attn: Harvey Sherifield/Michael Hendifar
2800 Olympic Blvd. Ste. 100
Santa Monica, CA 90404-4101

Anthem Blue Cross
Post Office Box 51011
Los Angeles, CA 90051-5310

Kaiser Permanente
Post Office Box 23250
San Diego, CA 92193-3250

Broadvoice
9221 Corbin Avenue, Suite 155
Northridge, CA 91324

Parking Networks
Attn: Joseph Santana
350 South Figueroa Street, Suite 420
Los Angeles, CA 90071

Infinity Enterprise Lending
Velocity Ventures Group LLC
Attn: Ryen Leyva
4864 Sparks Boulevard
Sparks, NV 89436

Hudson Cook LLP
7037 Ridge Road, Suite 300
Hanover, MD 21076

Online Lenders Alliance
Attn: Mary Jackson
2001 Jefferson Davis Highway, Suite 405
Arlington, VA 22202

Request for Special Notice

Attorneys for CF Culver City Office, L.P.
Andrew J. Haley, Esq.
Shoreline, A Law Corporation
1299 Ocean Avenue, Suite 400
Santa Monica, California 90401-1007